REMARKS

In the Office Action mailed March 29, 2006, the Examiner rejected claims 1-21 under 35 U.S.C. § 103(a) as being unpatentable over Carolyn M. Brown's article "Using your PC to manage your finances." Black Enterprise. New York: July 1997 (hereinafter "Brown") in view of U.S. Patent No. 5,857,079 to Claus et al. (hereinafter "Claus"). Applicants therefore respectfully provide the following:

The standard for a Section 103 rejection is set forth in M.P.E.P 706.02(j), which provides:

> To establish a *prima facie* case of obviousness, three basic criteria must be met. First there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the references or combine reference teachings. Second, there must be a reasonable expectation of success. Finally, **the prior art reference (or references when combined) must teach or suggest all the claim limitations.** The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

(Emphasis added). Applicants respectfully submit that the references cited by the Examiner do not teach or suggest all the limitations from the claim set provided herein.

Specifically, independent claim 1, as amended, includes a limitation for "establishing a plurality of virtual financial accounts overlaid upon at least one actual financial account, wherein each virtual financial account is capable of being overlaid upon multiple actual financial accounts and wherein multiple virtual financial accounts may be overlaid upon one actual financial account." Nothing in the cited art teaches or suggests this limitation. In the Office Action, the Examiner indicated that Brown teaches establishing a plurality of virtual accounts overlaid upon at least one actual financial account. Applicants respectfully disagree. Applicants further submit that even if Brown teaches establishing a plurality of virtual accounts overlaid

upon at least one actual financial account that Brown does not teach the claim limitation of "wherein each virtual financial account is capable of being overlaid upon multiple actual financial accounts and wherein multiple virtual financial accounts may be overlaid upon one actual financial account."

Brown discusses the use of financial software, specifically Quicken Deluxe 6 from Intuit Corp. Brown teaches that the Farwell family used Quicken to create budgets by inputting their transactions and assigning them to expense fields. In this way they tracked their actual expenses versus their budgeted expenses. Nothing in Brown teaches any virtual <u>accounts</u> overlaid on actual accounts. Instead, Brown teaches budgeting or expense <u>categories</u> typical to budgeting programs and methods; nothing in Brown discloses that these budgeting or expense categories are virtual accounts or that they are in any way overlaid upon actual financial accounts. The only discussion of actual accounts occurs on page 3 and is unrelated to the budgeting using the expense fields discussed on page 2. Specifically, the third full paragraph merely discloses that the program sorts the Browns' actual credit accounts by interest rate. The fourth and fifth paragraphs discuss tracking performance of a retirement account. Brown discloses that the Quicken program may be linked to a bank to facilitate electronic checking, but this fact does not disclose in any way that the linked checking account is associated with any virtual financial accounts, let alone that the virtual financial accounts are overlaid upon actual financial accounts. Thus, in no way does Brown disclose the overlaying of the virtual accounts upon any actual financial accounts.

Furthermore, Brown does not disclose that "each virtual financial account is capable of being overlaid upon multiple actual financial accounts" and that "multiple virtual financial accounts may be overlaid upon one actual financial account." Since Brown does not disclose

any linking at all of virtual and actual accounts, it does not disclose these features of the overlaid relationship between the virtual and actual financial accounts.

Claus also does not teach or suggest these features. Claus teaches a smart card that essentially automates recording of receipts for tracking budgets with financial software (see Abstract). As with standard budgeting programs and similar to Brown, Claus teaches setting up categories of expenditures to categorize transactions, such as personal, cash, groceries, etc. (see Figs. 13 and 14 and the accompanying discussion at Col 11 lines 36-47). Claus then discloses that the expenditures for each category (credit, clothes, etc.) are summed to a single numerical value (Col 11 lines 36-47). Nowhere does Claus disclose that the categories are virtual accounts, nor does Claus teach any overlaying of virtual accounts on actual financial accounts, let alone that "each virtual financial account is capable of being overlaid upon multiple actual financial accounts" and that "multiple virtual financial accounts may be overlaid upon one actual financial account."

Independent claim 1 also contains a limitation of "allocating a given amount of funding for each of the plurality of virtual financial accounts from each of the actual financial accounts upon which each virtual financial account is overlaid." In the Office Action, the Examiner indicated that allocating funds is obvious in light of budgeting methods. Applicants respectfully submit that the characterization made by the Examiner misreads the language of the claim. The claim does not require budgeting funds or projected expenditures as is commonly done in budgeting systems. Budgeting projected expenditures as is discussed and implied in Brown often occurs without any actual funds being available, based on projections of the funds that will later become available (due to salary, sales, or other income, for example). This is useful when budgeting as it helps a user to estimate in advance where projected monies should go. However,

this is also limited in that budgeting with projected money is unable to account for unexpected fluctuations in either expenses or actual cash inflows.

The virtual accounts claimed overcome these disadvantages. Rather than be a budget or budget category, the claimed virtual accounts have all the features of actual accounts, including actual available funds on hand (corresponding to the actual funds allocated from the actual financial account or accounts). The limitation of "allocating a given amount of funding for each of the plurality of virtual financial accounts from each of the actual financial accounts upon which each virtual financial account is overlaid" reflects this feature, and recognizes the advantage of the virtual accounts. Since actual available funds are allocated to the virtual accounts (see Specification as filed at page 7 lines 10-19) and spent from the virtual accounts only as actually available, problems with traditional budgeting systems are eliminated. With traditional budgeting systems, such as those taught in Brown and Claus, it is a simple matter to spend within a projected budget yet simultaneously overdraw on accounts or spend more money than is currently available from inflows. However, with the current invention, since spending occurs from virtual accounts that have actually-available funds allocated to them rather than hypothetically-assigned budgeted values, such overdrafts or overspending is prevented. Thus, Applicants respectfully submit that the claimed feature is not made obvious by the use of standard budgeting methods of categorization of expenses and expenditures. To the extent that the Examiner disagrees with Applicants and maintains that this limitation of allocating funding is well known in the art, Applicants respectfully request under MPEP § 2144.03(C) that the Examiner provide documentary evidence that the limitation as claimed is well known in the art.

Independent claim 1 further requires "allocating a transaction to a virtual financial account selected from the plurality of virtual financial accounts, the transaction corresponding to

a debit from or credit to at least one of the actual financial accounts upon which the virtual financial account selected is overlaid." In the Office Action, the Examiner relied on Claus as teaching the allocation of transactions at the time they are incurred. While Claus teaches the commonly-known budgeting method of allocating expenses to expense or budget categories, Claus does not teach the allocation of transactions to virtual financial accounts as is claimed; as discussed above, Claus does not teach any kind of virtual financial account at all.

Independent claim 1 also requires "debiting or crediting the allocated fund amount according to the transaction allocated to the particular virtual financial account and from the at least one corresponding actual financial account." In the Office Action, the Examiner relied on Brown's disclosure relating to electronic check payment as teaching this limitation. Applicants respectfully submit that Brown fails to teach debiting or crediting funds from both virtual and actual financial accounts. As discussed above, Brown fails to disclose virtual accounts at all, and further fails to teach any linkage between virtual and actual financial accounts. The cited portion of Brown (the paragraph beginning on page 2 and continuing to page 3) merely discloses using electronic e-pay services in Quicken to send electronic checks to creditors. Of course, these electronic checks must draw from some source, but this source is completely undisclosed in Brown beyond the fact that the source is a bank.

Teaching drawing a check from a bank account does not teach or suggest the claimed limitation of "debiting or crediting the allocated fund amount according to the transaction allocated to the particular virtual financial account and from the at least one corresponding actual financial account." Taking the teaching of Brown to its fullest reasonable extent, Brown merely teaches electronically withdrawing a fund corresponding to a transaction from an actual account to pay a creditor. Nothing is disclosed concerning any kind of virtual account, nor is anything

disclosed regarding debiting or crediting two accounts: the virtual account and the actual account for the same transaction. This teaching is also absent from Claus.

Because the above-mentioned limitations are not taught or suggested by Brown, Claus, or the combination thereof, Applicants respectfully submit that independent claim 1 is not made obvious by the cited combination of references. Claims 2-5 depend from claim 1 and are at least allowable for the same reasons. Independent claim 11 includes similar limitations, and claims 12-15 depend from claim 11. Applicants respectfully submit that these claims are allowable for at least the same reasons.

In rejecting claims 2-5, the Examiner further relied on assertions as to the well-known status of various budgeting methods relating to the use of categories in budgets. As Applicants have set forth above, Applicants' method of using virtual <u>accounts</u> differs from the old methods of budgeting upon which the Examiner appears to rely and provides the aforementioned advantages. As such, Applicants contest the assertion that it was well known in the art to determine balances in virtual accounts (as these balances reflect actual monies, not just hypothetical budgeted monies), to display the balance of a virtual account after transaction allocation (instead of just the balance of an actual account or the hypothetical balance in a budget), to distinguish between those transactions that have cleared and those which have not in a virtual financial account (rather than merely in an actual financial account), and to display transaction information within one of the virtual accounts (rather than just in a budget or in an actual financial account). For the reasons discussed above, Applicants respectfully request that the Examiner provide documentary evidence that these limitations relating to virtual financial <u>accounts</u> overlaid upon actual financial accounts are well known in the art if the Examiner

chooses to maintain the rejections rather than accept Applicants' arguments and remarks. Applicants make this request under MPEP § 2144.03(C).

Regarding independent claim 6, Applicants note that this claim contains several limitations similar to those found in independent claim 1, namely "establishing a plurality of virtual financial accounts overlaid on actual accounts, wherein multiple virtual accounts may be overlaid upon a single actual account and wherein a single virtual account may be overlaid upon multiple actual accounts," and "allocating a given amount of funding for each of the plurality of virtual accounts from each of the actual accounts upon which each virtual account is overlaid." For at least the reasons set forth above regarding the similar limitations in claim 1, Applicants respectfully submit that claim 6 is also allowable.

Claim 6 also contains an additional limitation different from that found in claim 1. Claim 6 requires "allocating transactions in real time to the appropriate virtual accounts so that individuals in remote locations may view the accounts and coordinate purchases." Applicants respectfully submit that neither Brown nor Claus teach this limitation. In the Office Action, the Examiner conceded that Brown does not teach this limitation. Instead, the Examiner relied on Claus, and indicated that Claus taught "transactions are allocated in real time to the appropriate virtual accounts by means of a smart card containing account information." Applicants respectfully disagree.

First, as discussed above, nothing in Claus teaches or suggests virtual <u>accounts</u> as claimed by Applicants. Second, even if Claus is interpreted to suggest virtual accounts, it does not teach the required claim limitation. The smart card of Claus is actually a fairly limited device. After loading the account information and the basic information related to a transaction, the user of Claus's smart card inserts it into a point of sale device, to have additional transaction

information uploaded into the smart card (Col 3 lines 21-52 and especially 47-52). The <u>local</u> user of the card can then access the card's information to see how much is spent in a particular category (Col 3 line 63-Col 4 line 11). Then, at some <u>later</u> time (not real time), the card's user can interface the card with a personal computer or card reader and read information from the card for export of the information into a standard spreadsheet (Col 4 lines 12-23, Col 10 lines 18-38). Claus never teaches any access at all by a remote user to the information. Therefore, Applicants respectfully submit that Claus does not teach the claim limitation of "allocating transactions in real time to the appropriate virtual accounts so that individuals in remote locations may view the accounts and coordinate purchases."

For at least these reasons, Applicants respectfully submit that the cited combination of references fail to teach or suggest all the claim limitations of independent claim 6 as is required under 35 U.S.C. § 103(a). Claims 7-10 depend from claim 6 and are allowable for at least the same reasons, and for the reasons set forth in regard to dependent claims 2-5 above. Claim 16 contains similar limitations to those contained in claim 6, and claims 17-21 depend from claim 16. These claims are therefore allowable for at least the same reasons. Applicants respectfully note that claim 21 contains a limitation not found in any other claim for "means, coupled to the transaction allocation means, for accessing remote account information." Applicants respectfully request consideration of this claim on its own merits.

For the above reasons, Applicants respectfully submit that all claims are allowable over the cited combination of references, and therefore respectfully request removal of the rejections under 35 U.S.C. § 103(a).

CONCLUSION

Applicants submit that the amendments made herein do not add new matter and that the claims are now in condition for allowance. Accordingly, Applicants request favorable reconsideration. If the Examiner has any questions or concerns regarding this communication, the Examiner is invited to call the undersigned.

DATED this 25 day of July, 2006.

Respectfully submitted,

Michael F. Krieger
Attorney for Applicant
Registration No.: 35,232

KIRTON & McCONKIE
1800 Eagle Gate Tower
60 East South Temple
Salt Lake City, Utah 84111
Telephone: (801) 321-4814
Facsimile: (801) 321-4893

ADS/::ODMA\PCDOCS\DOCS\905034\1